

# NOTICE OF PROPOSED RULE AMENDMENT

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
- The full text of all rule filings may also be inspected at the Division of Administrative Rules.

## Agency Information

1. Agency: Insurance - Administration  
 Room no.: 3110  
 Building: STATE OFFICE BLDG  
 Street address 1: 450 N MAIN ST  
 Street address 2:  
 City, state, zip: SALT LAKE CITY UT 84114-1201  
 Mailing address 1: PO BOX 146901  
 Mailing address 2:  
 City, state, zip: SALT LAKE CITY UT 84114-6901

## Contact person(s):

Name: Phone: Fax: E-mail:

Jilene Whitby	801-538-3803	801-538-3829	jwhitby@utah.gov
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(Interested persons may inspect this filing at the above address or at DAR during business hours)

## Rule Information

DAR file no: 35104 Date filed: 08/01/2011 05:00 PM  
 State Admin Rule Filing Key: 151319  
 Utah Admin. Code ref. (R no.): R 590 - 203 -  
 Changed to Admin. Code ref. (R no.): - -

## Title

2. Title of rule or section (catchline):  
 Health Grievance Review Process.

## Notice Type

3. Type of notice: Amendment

## Rule Purpose

4. Purpose of the rule or reason for the change:  
 This rule is being changed as a result of comments received from the insurance industry in a hearing held 6-9-2011 and comment period.

## Response Information

5. This change is a response to comments by the Administrative Rules Review Committee.  
 No

## Rule Summary

6. Summary of the rule or change:  
 Changes to the rule include: Section 4, Definitions, adds "Disability Income insurance" to the definition of "Carrier"

because the rule applies to health insurance and disability income. "Urgent Care" has also been amended to refer to the opinion of the insured's attending provider. Subsection R590-203-6(1) has returned "medical necessity," which had previously been deleted. Section 9, Relationship to Federal Rules, has been eliminated since it is no longer needed; Enforcement date changed to date rule changes go into effect..

#### Aggregate Cost Information

##### 7. Aggregate anticipated cost or savings to:

###### A) State budget:

Affected: No

The changes to this rule will have no effect on the state or department's budget since they are mainly for clarification purposes and will not create additional filings or change in the department's revenues or expenditures.

###### B) Local government:

Affected: No

The changes to this rule will have no effect on local government since the changes are for clarification purposes only and deal solely with the relationship between a licensed insurance company and insured or other individual with a claim against the insurer.

###### C) Small businesses:

Affected: No

("small business" means a business employing fewer than 50 persons)

The return of "medical necessities" limits the need for independent reviews, which will be a cost savings to businesses.

###### D) Persons other than small businesses, businesses, or local government entities:

Affected: No

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

Disability income insurance is assured of the availability of independent review.

#### Compliance Cost Information

##### 8. Compliance costs for affected persons:

The return of "medical necessities" limits the need for independent reviews, which will be a cost savings to businesses.

#### Department Head Comments

##### 9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

This rule creates no costs but instead a savings for businesses.

##### B) Name and title of department head commenting on the fiscal impacts:

Neal T. Gooch, insurance commissioner

#### Citation Information

##### 10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :

31A-4-116

31A-22-629

31A-2-203

31A-2-201

## Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank) :

<p>Official Title of Materials Incorporated (from title page):</p> <p>Publisher:</p> <p>Date Issued:</p> <p>Issue, or version:</p> <p>ISBN Number:</p> <p>ISSN Number:</p> <p>Cost of Incorporated Reference:</p> <p>Adds, updates, removes:</p>
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## Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) :

09/14/2011

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

09/08/2011

03:00 PM

Room 3112, State Office Building, 450 N. State, Salt Lake City, UT 84114

## Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

09/21/2011

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Division of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

## Indexing Information

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):
- insurance

## File Information

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

## To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

## Agency Authorization

Agency head or designee, and title:

Jilene Whitby Information  
Specialist

Date (mm/dd/yyyy): 08/01/2011